



DEAMS

Defense Enterprise Accounting and Management System

**A Joint USTRANSCOM, Air
Force and
DFAS Initiative**



Initiative Objectives

Defense Enterprise Accounting and Management System

- **Implement JFMIP approved financial system**
- **Implement a strategy migrating systems into BMMP Architecture for USTRANSCOM, Air Force (AF) and Defense Finance and Accounting Service (DFAS)**
- **Establish cost management and performance measurement capabilities at optimum level(s)**
- **Provide for full compliance with Chief Financial Officers Act and Government Management Reform Act requirements**
- **Promote development of DOD-wide solutions and processes**
- **Improved financial management visibility**





Consistent with Business Management Modernization Program (BMMP) Objectives

Defense Enterprise Accounting and Management System

- **DEAMS is a solution that:**
 - Provides reliable, accurate, and timely financial data for decision makers
 - Provides standardized business rules, processes, and information that enable efficient and effective business operations
 - Provides one inclusive system to process and record all budgetary, accounting, and vendor pay transactions
 - Captures and validates information once and uses it across the enterprise
 - Meets requirements of BMMP architecture



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Guidance

Defense Enterprise Accounting and Management System

- **USD(C) approved BMMP initiative on 8 Aug 03**
 - **Joint USTRANSCOM, AF and DFAS effort**
 - **Oversight by BMMP Finance and Accounting Domain**
- **USTRANSCOM memo dated 9 Sep covers standard business practices and system configuration**
 - **Modernize Air Mobility Command (AMC) billing accounting systems**
 - **Integrate financial systems within the command**

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Initiative Scope

Defense Enterprise Accounting and Management System

- **DEAMS replaces:**
 - **Transportation Working Capital Fund (TWCF) Billing System at AMC**
 - **Revenue/cost systems for TWCF at USTRANSCOM HQ, AMC and Defense Courier Service (DCS)**
 - **General Accounting and Fund System- Rehost (GAFS-R) for appropriated funds at AMC with potential to expand solution to AF**
 - **Integrated Accounts Payable System (IAPS) for vendor payments for for USTRANSCOM HQ, AMC and DCS**
 - **Automated Business Services System (ABSS) for forms**





Initiative Scope (BMMP)

Defense Enterprise Accounting and Management System

- **BMMP established 7 domains with potential impact to this initiative:**
 - **Accounting and Finance**
 - **Acquisition**
 - Contract award data
 - **Human Resource Management**
 - Payroll, work-years, end-strength
 - **Installations and Environment**
 - Plant, property and equipment
 - **Logistics**
 - Supply, operational data
 - **Strategic Planning and Budgeting**
 - Fund control, budget execution and fund distribution
 - **Technical Infrastructure**





Initiative Scope

Defense Enterprise Accounting and Management System

- **Increment 1:**
 - **Provides Standard business practices at USTRANSCOM**
 - **Implements TWCF and GF system at Scott AFB**
 - **Sites are Air Mobility Command HQ, Defense Courier Service, USTRANSCOM HQ, 375th Airlift Wing, Scott AFB tenant activities**
- **Increment 2:**
 - **Provides standard business practices for USTRANSCOM**
 - **Provides a single financial software suite and hardware platform for USTRANSCOM**
 - **Implements system at remaining AMC bases**





Potential Scope

Defense Enterprise Accounting and Management System

- **Increment 3 implements system for throughout AF**



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Status

Defense Enterprise Accounting and Management System

- **OSD(NII) delegated acquisition authority to AF**
 - Program is pre-milestone A
 - Meetings needed with PAE, OSD(J8)
 - Streamline COTS acquisition process
- **Contracts awarded for:**
 - Requirements definition
 - Data cleanup
 - Program Management support
- **Coordinating effort with Army FM**





Status Cont.

Defense Enterprise Accounting and Management System

- **The following documents were drafted**
 - **High level process flows**
 - **Requirements matrix to support process flows**
 - **Business scenarios**
 - **Interface matrix**
 - **Business process reengineering matrix**
 - **Preliminary fit-gap analysis**
 - **Forms analysis**
 - **Concept of Operations**





Status Cont.

Defense Enterprise Accounting and Management System

- **Formal Joint Capabilities Integration and Development System (JCIDS) and DOD 5000.2 documentation in-process**
 - **Initial capabilities document**
 - **Analysis of alternatives**
 - **Test and Evaluation Master Plan**
 - **Technology Development Strategy**



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Status Cont.

Defense Enterprise Accounting and Management System

- **Data cleanup effort**

- Team at DFAS-Omaha cleaning up accounts payable and unliquidated obligations
- Team at Scott AFB cleaning up AMC receivables

<u>Description</u>	<u>Record Count</u>	<u>Value</u>
* 30 Sep 03 Baseline	<u>99,066</u>	<u>12.7B</u>
Systematically Cleared	40,980	2.2B
**Valid (no action at this time)	7,010	1.3B
***Domat (letters to be sent to RA)	2,247	.7B
Errors/submitted to Acctg	406	.1B
Errors/fixed and cleared	1,087	.1B
Identified as needing further review	<u>1,105</u>	<u>.1B</u>
TOTAL REVIEWED	<u>52,835</u>	<u>4.5B</u>
TOTAL REMAINING	<u>46,231</u>	<u>8.2B</u>



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Business Process Transformation

Defense Enterprise Accounting and Management System

- **Initiative will use COTS**
- **Ad hoc query capability**
- **Cost/Project accounting with embedded allocation processes**
- **Increased automation through use of application interfaces**
- **Single source input**
- **General funds and WCF working in same environment**
- **Streamlines training in one system**
- **Integrated fund control**
- **Standard interfaces**



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Leading Practices

Defense Enterprise Accounting and Management System

- **Integrated system modules**
- **Standard general ledger**
- **Business line management**
- **Drill-down capability**
- **Electronic billing**
- **Center(s) of excellence**
- **Visibility of cost drivers**
- **Centralized validation tables**
- **Real-time information**
- **Standard accounting code structure**





Critical Success Factors

Defense Enterprise Accounting and Management System

- **Clear scope: repeatedly communicate, assess understanding**
- **Formalize requirements development process**
- **Team should include SMEs from user community**
- **Customer acceptance of requirements prior to development**
- **Data cleansing prior to conversion**
- **Interface development**
- **Change management program**
- **Strong integrator**
- **Effective governance council**



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DEAMS

Executive Steering

Group

Defense Enterprise Accounting and Management System

- **Objective: Provide stakeholder planning and oversight to DEAMS by making recommendations to improve management processes/practices and setting program strategy and critical success factors.**
- **Members:**
 - BMMP Accounting and Finance Domain (co-chair)
 - USTRANSCOM J8 (co-chair)
 - Air Force
 - Army
 - Navy
 - DFAS
 - CIO
 - PEO
 - USTRANSCOM Chief of Staff



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COTS Requirements

Defense Enterprise Accounting and Management System

- **Requirements initiation and fund control**
- **Cost and Revenue**
- **Accounts Receivable**
- **Accounts Payable**
- **General Ledger**
- **Plant, property and equipment**
- **Optional**
 - Time and attendance
 - Scorecard
- **COTS will interface with existing acquisition, logistics and DFAS systems**



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Requirements Initiation

Defense Enterprise Accounting and Management System

- **Input data needed to generate**
 - Reimbursable order
 - Training document
- **Interface data to contract system**
- **Enter transactions directly into COTS**
- **No forms, intermediary system or rework**
- **Perform data and budget validation at point of entry**
- **Electronically route transaction to business approver**



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Fund Control

Defense Enterprise Accounting and Management System

- **Document flow for approval process**
- **Cover Working Capital Fund and General Funds**
- **Interface fund distributions at AF, MAJCOM, base/unit level and type cost (object class)**
- **Load annual and quarterly direct authority**
- **Compute and load reimbursable authority (GF)**
- **Monitor legal limitations**
- **Requisitions may not exceed authority**
- **Allow for control at command, organization level and type cost**
- **Support ability to manage appropriation life cycles**





Cost

Defense Enterprise Accounting and Management System

- **Accumulate costs by:**
 - Business line
 - Weapons system
 - Mission or customer order
 - Overhead categories
 - Activity
- **Allocate overhead, indirect costs and depreciation**
- **Link to operational data**
- **Develop infrastructure to support:**
 - Cost modeling within programs, business lines, and organizations
 - Customer rate development to ensure full cost reimbursement
- **Charge costs directly vs. allocation**





Time and Attendance

Defense Enterprise Accounting and Management System

- **Input individual work hours against:**
 - **Cost center**
 - **Activity**
 - **Business line**
 - **Special project**
- **Interface to Defense Civilian Payroll System (DCPS)**
- **Use DCPS pay data to allocate by cost center,**



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Accounts Payable

Defense Enterprise Accounting and Management System

- **Electronic and manual input of receipt and invoice data**
- **Interface to DFAS disbursing system**
- **Assign disbursing voucher number**
- **Auto match between PO, receipt and invoice - schedule for payment certification**
- **Interface to centralized EFT and remit-to address data**
- **Interface status of invoices and receipts to Vendor Pay Inquiry System**
- **Two-way and three-way matching based on contract terms and or type of purchase**
- **Automate follow up on missing receipts and invoices**



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Revenue

Defense Enterprise Accounting and Management System

- **Accept and account for customer orders**
- **Accept data from various interfacing systems**
 - Identify duplicate manifests, data elements (TCN), split shipments
 - Maintain edit tables to validate - suspend invalid records
 - Allow for correction and re-input of suspended records
- **Compute revenue using various rate tables**
 - Hourly, weight vs. cube
- **Accumulate by:**
 - Business
 - Weapons system
- **Link to operational data**





Billing

Defense Enterprise Accounting and Management System

- **Bill working capital fund by rates, cost, cost plus**
- **Generate billing (invoice) at the summary level; supported by detail level transactions**
 - Create bill by: customer, business line, single bill for USTC
 - Accommodate multiple lines of accounting
- **Adjust prior billed and collected to account for customer disputes**
- **Allow for creation of manual billing**
- **Allow for electronic forms preparation/certification**
 - Printable document if requested
 - Electronic interface of accounting data to Treasury
- **Provide for a preliminary billing cycle**





Accounts Receivable

Defense Enterprise Accounting and Management System

- **Identify billed and un-billed A/R**
- **Age A/R balances using established criteria**
 - Allow for ad hoc reporting using various key data elements
 - Transfer receivables to proper agencies upon aging
- **Electronically interface collection of open receivables to Treasury**
- **Maintain audit trail of partially paid billings showing paid vs. un-paid balances**
- **Establish manual accounts receivables for accruals and accommodate non-receivable collection of funds**
 - Non-automated accruals
 - Miscellaneous indebtedness transactions
 - Prepare collection voucher and report to the TUS





Cash Management

Defense Enterprise Accounting and Management System

- **Interface critical data from multiple DFAS systems**
- **Proactive analysis of working capital fund**
 - Minimum cash balance
 - Number of days cash on-hand
- **Daily balancing of accounting to cash**
- **Implement controls to ensure cash balance integrity**
- **Timely and accurate reporting of cash to departmental and/or U. S. Treasury**
- **Control suspense accounts**



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Plant Property and Equipment

Defense Enterprise Accounting and Management System

- **Record assets values - equipment, buildings, software**
- **Record work-in-process**
- **Interface to general ledger**
- **Calculate depreciation**
- **Reconcile to DOD property systems**
- **Link component assets to end item**
- **Maintain an audit trail (purchase to disposal)**
- **Process transfers/disposal/retirement of asset**



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Reports

Defense Enterprise Accounting and Management System

- **Eliminate intra-command transactions from official reports**
- **Standardize Enterprise Reporting**
 - Standard data elements and definitions
 - Standard accounting policy & methodologies
 - Drill down capability (transaction driven COTS)
- **Data Visualization (metrics)**
 - Dashboard/Scorecard
 - Real time access to decision making info
- **Standard report templates**
- **Ad Hoc report capability**





General Ledger

Defense Enterprise Accounting and Management System

- **Implement US Standard General Ledger**
 - Standard Account Code Structure
 - Transaction driven
 - Standard Chart of Accounts
 - Produce financial reports
 - Drill down capability
- **Control through DFAS center of excellence**
 - Centrally controlled line of accounting data elements
- **Update General Ledger from single source**
 - Simultaneous updates
 - Budgetary, proprietary, memo (10 pairs)
- **Capability for soft and hard close**
 - Post current & prior month simultaneously



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Interfaces

Defense Enterprise Accounting and Management System

- **Incoming - 44**
- **Outgoing - 24**
- **Use middleware and/or DEBX to construct files**
- **Use XML format on incoming files**
- **Separate data - Scott AFB.....**
- **Cross reference data - object class for DCPS data**
- **Frequency - Hourly/Daily/Bi-Weekly/Monthly**
- **Implement file controls**





Data Warehouse

Defense Enterprise Accounting and Management System

- **Architecture includes plan to use data warehouse**
- **Data warehouse will be used to:**
 - Produce reports
 - Perform some cost allocations
 - Perform queries
 - Link operational and financial data
- **USTRANSCOM developing the Transportation Financial Management System (TFMS)**
- **Air Force using FM Warehouse**



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User Access

Defense Enterprise Accounting and Management System

- **Information Users:**
 - Executive
 - Mid-level Manager
 - Line Manager/Supervisor
 - Internal Review
 - Audit Agencies
 - Non-DoD (customers)
- **Allow separation of duties**
 - Reports
 - Payments
 - Purchase Requests/Orders
- **Establish access by user**



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Next Steps

Defense Enterprise Accounting and Management System

- **Refine requirements**
 - TCC and AF SMEs needed to formalize requirements
 - Process flow documents and scenario development
- **Formalize concept of operations**
- **Continue data cleansing of AR/AP and fixed assets**
- **Develop**
 - Conversion plan
 - Interface plan
 - IT plan
 - Architecture views
 - Change management plan
 - Risk management plan
- **Continue to develop DOD 5000.2 documentation**





Summary

Defense Enterprise Accounting and Management System

- **Meet CFO and BMMP requirements**
- **On-going efforts**
 - Requirements
 - Data cleanup
 - PM documentation
- **Detail requirements complete 30 Apr**
- **Leadership commitment**
- **Team commitment**

OCTOBER 05



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Questions?

Defense Enterprise Accounting and Management System
